The Alberta Liquor Control Board

63rd Annual Report

For the fiscal year ended January 6, 1987

ALBERTA LIQUOR CONTROL BOARD

Alberta

SOLICITOR GENERAL

403 / 427-2468

127 Legislature Building
Edmonton, Alberta, Canada
T5K 2B6

Office of the Solicitor General

The Honourable Dr. D. Carter
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit the Annual Report of the Alberta Liquor Control Board for the fiscal year ended January 6, 1987.

Respectfully submitted

KEN ROSTAD
Solicitor General

ALBERTA LIQUOR CONTROL BOARD

The Alberta Liquor Control Board (ALCB), established in 1924, is an Alberta crown corporation with a double mandate:

> Responsibility for administering the Liquor Control Act and Regulations (Liquor Licence Regulation, Liquor Permit Regulation, General Regulation and Plebiscite Regulation);
>
> Responsibility for all purchases and sales of alcoholic beverage products in the Province.

The Board, which falls within the jurisdiction of the Solicitor General of Alberta, consists of the Chairman and Chief Executive Officer, Deputy Chairman and Board Member. Senior operational, administrative and licensing management personnel are responsible to the Board for the execution of the corporation's activities.

At the close of fiscal year 1986 the ALCB operated 212 liquor stores (of which 18 carried specialty stock) and 16 retail beer outlets. In addition, private individuals operated 11 Board agency wine boutiques in major centres, and there were four agency stores operated by Alberta wineries.

The ALCB offered Albertans one of the most extensive and varied selections of products available anywhere in Canada – over 3200 product lines from 40 countries around the world.

Throughout Alberta, over 5,000 licences were issued by the ALCB for the sale of spirits, wine and beer. A total of 15 manufacturers held licences to make alcoholic beverages in the province: 4 distillers, 4 vintners and 7 brewers.

Net revenues from the sales of liquor by the Board flow to the Province's General Revenue Fund. In fiscal year 1986, transfers to Treasury amounted to $312 million.

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Honourable Ken Rostad
Solicitor General
127 Legislature Building
EDMONTON, ALBERTA
T5K 2B6

Sir:

We wish to submit the 63rd Annual Report of the Alberta Liquor Control Board for the 1986 fiscal year ended January 6, 1987.

Sales

Total net sales of spirits, wines and beer during the fiscal year ended January 6, 1987 were $908,898,396. The total for the fiscal year ended January 7, 1986 was $893,843,909.

The volume of alcohol products sold during the fiscal year ended January 6, 1987 totalled 2,188,958 hectolitres. Spirit sales amounted to 214,015 hectolitres. Wine sales (including coolers and cider) amounted to 224,719 hectolitres and beer sales amounted to 1,750,224 hectolitres.

	Net Sales Spirits, Wines and Beer	Sales to Licensees*	Hectolitres of Beverage Alcohol Sold
Fiscal 1986	**$908,898,396**	**$228,337,951**	**2,188,958**
Fiscal 1985	$893,843,909	$251,246,176	2,213,256

*Included in Net Sales

Sales by Volume (Hectolitres)

	Fiscal 1986	Fiscal 1985
Beer, Ale & Stout		
Canadian	**1,644,798**	1,356,502
Imported	**105,426**	378,637
Wines, Vermouth, Cider & Coolers		
Canadian	**128,972**	136,304
Imported	**95,747**	110,944
Spirits, Liqueurs & Alcohol		
Canadian	**175,193**	186,051
Imported	**38,822**	44,818

Sales by Value

	Fiscal 1986	Fiscal 1985
Beer, Ale & Stout		
Canadian	**$359,715,329**	$278,226,884
Imported	**23,034,942**	75,298,626
Wines, Vermouth, Cider & Coolers		
Canadian	**55,235,356**	54,619,855
Imported	**78,200,971**	77,438,498
Spirits, Liqueurs & Alcohol		
Canadian	**308,673,359**	315,472,949
Imported	**84,202,592**	92,377,487
Total		
Canadian	**723,624,044**	648,319,688
Imported	**185,438,505**	245,114,611
	$909,062,549*	$893,434,299*

* These figures, with the exception of Canadian beer, are net of bottle return deposits collected at time of sale.

Total sales do not directly compare to the value shown in financial statements as duty free sales, refunds and other adjustments have been excluded.

Sales to Licensees

	Fiscal 1986	Fiscal 1985
Hotels	**$105,137,692**	$105,289,026
Lounges	**89,718,447**	107,885,415
Clubs	**18,997,099**	21,483,927
Restaurants	**4,130,384**	4,448,941
Canteens	**3,044,183**	4,328,846
Recreational Facilities	**2,634,384**	2,625,804
Aircraft	**1,372,792**	2,766,630
Institutions	**1,619,666**	1,570,463
Stadiums	**1,164,851**	422,991
Racetracks	**305,616**	144,723
Theatres	**163,804**	221,387
Traveller's Lounges	**35,018**	48,681
Railway Cars	**14,215**	9,342
	$228,337,951	$251,246,176

Financial Operations

Net profit from sales of beverage alcohol amounted to $317,111,979 for the fiscal year ended January 6, 1987 as compared to $316,306,561 for the fiscal year ended January 7, 1986.

The net income for the fiscal year under review amounted to $321,415,790 compared to $320,688,888 for the fiscal year ended January 7, 1986. During the fiscal year under review, $311,999,512 was transferred to the Provincial Treasurer. The transfer included the $24,919,821 under-remitted balance as at January 7, 1986.

Payments by the Board to the Government of Canada during the fiscal year ended January 6, 1987 for customs and excise duties and sales taxes amounted to $135,255,008, a decrease of $8,572,140 as compared the fiscal year ended January 7, 1986. The total includes in-bond shipments and shipments where prepaid taxes are specifically indicated by suppliers on invoices. Additional sales tax and excise tax paid directly to the Government of Canada by Alberta Brewers amounted to $58,074,120.

Licensing

There were 5,318 licences in force as at December 31, 1986 for establishments licensable for the sale of spirits, wine and beer, comprising 5,112 annual licences and 206 seasonal club licences. These totals compare to December 31, 1985 levels of 4,896 annual licences and 186 seasonal club licences. In addition, 164 special events licences were issued during 1986 compared to 149 during the previous year. Gross licence fee revenues for the fiscal year amounted to $7,915,837 in 1986, compared to $8,102,178 for the previous year. A breakdown of licences is provided on page 18.

There were 46,337 special permits issued during 1986; a total of 48,357 were issued during 1985. Permit revenues for the current fiscal year amounted to $171,574, whereas the figure for the previous fiscal year was $178,200.

Fifty-six hotels, 266 dining lounges, 116 dining lounges (restricted) and 9 recreational facilities were sold during 1986 by way of sales of all shares, changes in lease arrangements, repossession and outright sale.

All licensed premises were subject to regular and periodic inspection throughout 1986, including thorough reviews of new applications prior to and during the construction/ remodelling phases.

As at December 31, 1986 there were 4 distilleries, 7 breweries, 4 wineries and 1 brew-pub licensed by the Board.

Board Hearings

Twenty-three Board hearings were held throughout 1986 in respect of infractions by licensees under the Liquor Control Act and Regulations, or failure to comply with the required standards of operation. These hearings resulted in 11 suspensions of licence privileges and the issuance of 12 warnings. One licensee was also suspended without a hearing. In addition 119 letters of warning were issued by the Board to licensed establishments where the infraction did not warrant a hearing.

The majority of hearings concerned failure to provide satisfactory supervision which resulted in allowing drunkenness, overserving customers and continuing to serve liquor to persons who were obviously intoxicated. In addition, Board inspectors reported the service of liquor during prohibited hours, sale of liquor to minors, overcrowding and other infractions, the results of which are itemized as an attachment to this report, "Suspension of Licence Privileges."

The majority of those licensees who received licence suspensions had been previously warned in writing as to the improper operation of their premises and had failed to take corrective measures, or they were repeat offenders having a file record of previous hearings before the Board regarding similar infractions of the Act.

In all cases where disciplinary action in respect to licences was being considered, owners or operators were advised in writing and were given an opportunity to appear before the Board to discuss details of the infractions and to make representations either personally or through counsel, prior to decisions being reached by the Board. Following suspension of a licence, the operator was advised in writing that under the terms of the Liquor Control Act he could request a review by the Liquor Licensing Review Council.

Our close working relationship with enforcement agencies continues, whereby prompt attention is given to any problem observed to be developing in respect to any licensed operation. Similar programs in force, employing joint inspections with fire and health authorities, also continue to achieve quick success in rectifying unsatisfactory or possible hazardous conditions within licensed premises.

Stores

As of January 6, 1987 the Board operated 230 retail outlets, compared to 224 in operation as at January 7, 1986. During the fiscal year ended January 6, 1987 the Board opened one new retail beer store in Edmonton, and five new liquor stores: Caroline, Crossfield, Edmonton-Callingwood, Lake Louise and Wabamun.

	Liquor Stores	Warehouse Retail	Beer	Retail Total
January 6, 1987	**212**	**2**	**16**	**230**
January 7, 1986	207	2	15	224

Manufacturers' Stores and Wine Boutiques

Legislative changes made possible the establishment in 1985 of manufacturer-operated wine stores in which each winery was permitted to sell its own products at retail. At the end of fiscal year 1986 there were 7 such stores, 4 on-premises and 3 off-premises.

In 1985 a pilot project for privately operated, non-manufacturer retail wine stores ("wine boutiques") was established. During 1986 the Board continued to accept applications for a limited number of outlets. At the conclusion of fiscal year 1986, 11 of a possible 13 wine boutiques were in operation around the province.

Listings

The number of product listings carried by the Board at the end of 1986 totalled 3,261. This figure comprises 1,482 general listings and 1,779 specialty items.

In addition to ordering from principals in 6 Canadian provinces, the Board purchases products from 40 foreign countries. It has been a long-standing policy to deal directly with suppliers rather than through Canadian agents in order to ensure the lowest possible cost to the Board.

Strike

On August 1, 1986 Local 50 of the Alberta Union of Provincial Employees took strike action against the Board. During this job action, which lasted until September 26, 1986, management employees and some support staff maintained service to the public at the highest level possible under the constrained circumstances.

Staff

The number of Board employees totalled 1,299 as of December 31, 1986, down from 1,325 the previous year. This total consisted of 1,296 permanent employees and 3 temporary positions. A summary of the staff complement by department is included at the end of this report.

Plebiscites

On June 19, 1986 liquor plebiscites were held in the Hamlet of Rolling Hills and the Local Option Area of Juniper Lodge. In both instances the result was a vote to remain dry.

Acknowledgements

In furthering its policy of maintaining and improving the generally high standard of accommodation and service in licensed hotels throughout the Province, the Board appreciated the full cooperation of the Alberta Hotel Association and its officers.

Appreciation is also extended to the Alberta Restaurant and Foodservices Association for its positive efforts in working with the Board through its membership, to maintain the high level of quality found in licensed restaurants throughout the Province.

The Board wishes also to express sincere appreciation to the officers and staff of the RCMP and to the city and municipal police throughout the province for their efficient cooperation in enforcing the provisions of the Liquor Control Act.

Finally, the Board would like to thank its own staff for their dedication and contribution to the efficient operation of the Board during the year.

Further details of the Board's operations are contained in the various attachments, all of which are respectfully submitted.

W. SKOREYKO
Chairman and Chief Executive Officer

J. J. HUTTON
Deputy Chairman

W. MACK
Board Member

Auditor's Report

To the Members of the
Alberta Liquor Control Board

I have examined the balance sheet of the Alberta Liquor Control Board as at January 6, 1987 and the statements of income, income remitted to Provincial Treasurer and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at January 6, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon, C.A.
Auditor General

Edmonton, Alberta
April 29, 1987

Balance Sheet

As at January 6, 1987	January 6, 1987	January 7, 1986
	(in thousands)	
Assets		
Current:		
Cash	$ 5,230	$ 8,226
Accounts receivable	1,891	1,470
Inventories (Note 3)	57,365	54,112
Prepaid expenses	2,469	2,749
	66,955	66,557
Fixed assets (Note 4)	122,307	116,604
	$189,262	$183,161
Liabilities and Appropriation		
Current:		
Accounts payable	$ 29,926	$ 33,241
Unremitted income payable to Provincial Treasurer	21,336	24,920
	51,262	58,161
Appropriation for capital (Note 5)	138,000	125,000
	$189,262	$183,161

The accompanying notes are part of these financial statements.

W. Skoreyko
Chairman and Chief Executive Officer

R. W. Carson, C.A.
Acting Director, Finance

ALBERTA LIQUOR CONTROL BOARD

Statement of Income

For the Year Ended January 6, 1987	Fiscal 1986	Fiscal 1985
	(in thousands)	
Sales:		
Spirits and wine	$526,398	$540,886
Beer	382,500	352,958
	908,898	893,844
Deduct: Cost of goods sold:		
Spirits and wine	251,850	262,500
Beer	267,014	243,443
	518,864	505,943
Gross profit on sales	390,034	387,901
Deduct:		
Store operating expense	44,581	45,020
Administration and general expense	21,159	19,633
Warehouse expense	7,182	6,941
	72,922	71,594
Net profit on sales	317,112	316,307
Add: Other income, net (Note 6)	7,229	7,618
Deduct: Environmental expense, net (Note 7)	(2,925)	(3,236)
Net income for the year	$321,416	$320,689

ALBERTA LIQUOR CONTROL BOARD

Statement of Income Remitted to Provincial Treasurer

For the Year Ended January 6, 1987	Fiscal 1986	Fiscal 1985
	(in thousands)	
Unremitted income at beginning of year	$ 24,920	$ 27,231
Add: Net income for the year	321,416	320,689
	346,336	347,920
Deduct: Appropriation for capital	13,000	—
	333,336	347,920
Deduct: Remittances to Provincial Treasurer	312,000	323,000
Unremitted income at end of year	$ 21,336	$ 24,920

Statement of Changes in Financial Position

For the Year Ended January 6, 1987	Fiscal 1986	Fiscal 1985
	(in thousands)	
Operating activities:		
Net income for the year	$321,416	$320,689
Depreciation and amortization	6,251	6,397
Gain on disposal of fixed assets, net	(285)	(974)
Net change in non-cash working capital balances	(6,709)	(1,391)
Cash from operations	320,673	324,721
Remittances to Provincial Treasurer	(312,000)	(323,000)
Increase to cash remaining for investment	8,673	1,721
Investing activities:		
Purchase of fixed assets	(12,220)	(8,732)
Proceeds from disposal of fixed assets	551	1,308
	(11,669)	(7,424)
Decrease in cash during the year	(2,996)	(5,703)
Cash at beginning of year	8,226	13,929
Cash at end of year	$ 5,230	$ 8,226

Notes to the Financial Statements

Note 1 Authority

The Alberta Liquor Control Board operates under the authority of the Liquor Control Act, Chapter L-17, Revised Statutes of Alberta 1980, as amended.

Note 2 Significant Accounting Policies and Reporting Practices

Fiscal Year

The Liquor Control Act specifies the first Tuesday in each calendar year as the fiscal year end of the Board. Accordingly, the fiscal year 1986 comprised 52 weeks ended January 6, 1987 and fiscal year 1985 comprised 53 weeks ended January 7, 1986.

Inventories

Inventories are valued at cost which is not in excess of net realizable value. Cost is determined as follows:

Stores and warehouses	— Invoiced cost, freight, and duties and taxes
In bond	— Invoiced cost and freight
In transit and suppliers	— Invoiced cost

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and amortization.

Depreciation and amortization are calculated on the straight-line method at annual rates which will reduce the original cost to estimated residual value over the useful life of the asset, as follows:

Buildings	— 2% to 5%
Furniture and equipment	
Cost $50,000 and greater	— 10% to 33.3%
Cost less than $50,000	100%
Leasehold improvements	— 2.5% or remainder of lease whichever is lesser
Vehicles	— 12.5% to 20%

Note 3 Inventories

	January 6, 1987		January 7, 1986	
	(in thousands)			
Location	Spirits and Wine	Beer	Spirits and Wine	Beer
Stores	$25,500	$5,114	$21,240	$4,130
Warehouses				
– Duty paid	2,604	159	2,606	129
– In bond	16,796	779	19,695	1,124
In transit	5,549	311	4,345	390
Suppliers	553	—	453	—
	$51,002	$6,363	$48,339	$5,773
Total	$57,365		$54,112	

Duties and taxes amounting to approximately $11,055,000 (January 7, 1986 $13,269,000) will become payable when the inventories held in bond are released for sale.

Note 4 Fixed Assets

	January 7, 1987			January 6, 1986
	(in thousands)			
	Cost	Accumulated Depreciation and Amortization	Net Book Value	Net Book Value
Land	$ 21,278	$ —	$ 21,278	$ 18,895
Buildings	102,474	12,626	89,848	89,721
Furniture and equipment	25,267	19,409	5,858	6,922
Leasehold improvements	7,080	2,003	5,077	761
Vehicles	665	419	246	305
	$156,764	$34,457	$122,307	$116,604

Note 5 Appropriation for Capital

The Liquor Control Act provides that the Board shall maintain a capital account to provide funds for acquiring land and buildings and maintaining the inventories and other assets necessary to the operations of the Board. Based on an application made by the Board during the 1985 fiscal year the Lieutenant Governor in Council approved an increase in the appropriation for capital of $13,000,000 on January 23, 1986.

Note 6 Other Income

	Fiscal 1986	Fiscal 1985
	(in thousands)	
Licences and permits:		
Revenue	$8,087	$8,280
Expenditure	2,604	2,676
	5,483	5,604
Liquor levies and commissions	1,148	310
Gain on disposal of fixed assets, net	285	974
Miscellaneous	313	730
	$7,229	$7,618

Note 7 Environmental Expense, Net

This expense represents the net cost of administering and refunding deposits on spirits, wine and imported beer containers pursuant to the Beverage Container Act, Chapter B-4, Revised Statutes of Alberta 1980, as amended.

Note 8 Commitments

Capital

The Board has commitments in respect of land purchase agreements and uncompleted building contracts of approximately $1,271,000.

Leases

A number of the Board's stores operate under lease arrangements with terms ranging from one to fifty years. The Board also leases data processing equipment with terms ranging from one to four years. The approximate aggregate rental under these arrangements is summarized as follows:

	(in thousands)
Fiscal 1987	$ 6,505
1988	5,581
1989	5,155
1990	4,178
1991	3,667
Balance to expiry	9,631
	$34,717

Note 9 Comparative Figures

The comparative figures have been reclassified where necessary to conform to current presentation.

Note 10 Approval of Financial Statements

These financial statements were approved by management.

Schedule of Sales by Stores (unaudited)

For the Year Ended January 6, 1987 (unaudited)	Sales				Total Sales Year Ended Jan. 7 86
	Spirits	Wine	Beer	Total	
Acme	$161,029	$24,465	$88,341	$273,835	$307,130
Airdrie	1,613,325	379,054	1,041,125	3,033,504	2,840,063
Alix	344,440	34,409	142,016	520,865	533,073
Andrew	261,477	26,136	86,862	374,475	380,007
Athabasca	1,466,798	246,272	736,236	2,449,306	2,421,356
Banff	3,567,258	2,426,205	1,929,000	7,922,463	8,049,322
Barrhead	1,713,765	272,854	771,978	2,758,597	2,733,754
Bashaw	376,773	44,086	188,447	609,306	598,072
Bassano	456,589	73,326	220,785	750,700	828,832
Beaumont	718,585	217,694	499,036	1,435,315	1,223,162
Beaverlodge	496,613	90,452	286,591	873,656	965,528
Beiseker	305,363	43,767	151,614	500,744	449,743
Bentley	254,003	39,822	134,091	427,916	418,665
Big Valley	97,144	7,825	33,980	138,949	142,065
Blairmore	1,182,027	223,276	598,577	2,003,880	2,023,320
Bonnyville	2,017,767	377,873	1,099,948	3,495,588	3,661,243
Bowden	175,822	55,579	127,146	358,547	341,683
Bow Island	456,912	30,128	246,553	733,593	677,592
Boyle	606,651	73,844	286,552	967,047	940,833
Breton	297,665	46,158	163,781	507,604	537,036
Brooks	2,556,659	497,447	1,385,053	4,439,159	4,621,041
Bruderheim	233,884	34,353	146,048	414,285	414,920
Calgary - Altadore	1,550,520	670,465	1,259,637	3,480,622	3,994,433
- Braeside	3,251,515	1,560,450	1,869,599	6,681,564	6,665,289
- Brentwood	6,129,712	3,036,233	3,908,795	13,074,740	11,951,541
- Central	1,397,135	759,286	832,491	2,988,912	3,801,391
- Center St. North	4,720,814	1,632,859	3,856,937	10,210,610	12,142,452
- Chinook	1,868,889	819,474	899,162	3,587,525	4,499,142
- Deer Run	1,930,843	967,372	1,343,833	4,242,048	4,056,453
- Fisher Park	1,067,454	367,635	589,804	2,024,893	2,475,344
- Forest Lawn	3,476,491	755,780	2,436,395	6,668,666	8,038,453
- Hunterhorn	5,054,675	1,819,449	3,787,916	10,662,040	10,017,905
- Inglewood	1,269,339	291,370	733,417	2,294,126	2,797,759
- Len Werry	1,422,727	519,449	479,385	2,421,561	2,819,070
- MacLeod Trail	5,818,381	1,922,240	4,004,155	11,744,775	11,614,935
- Market Mall	2,517,214	1,532,099	1,304,402	5,353,715	5,368,873
- Midnapore	1,110,512	548,822	879,583	2,538,917	2,723,861
- Mission Bridge	1,232,032	675,703	829,167	2,736,902	3,320,345
- Montgomery	1,854,969	603,125	1,669,908	4,128,002	4,706,140
- Mount Royal	2,238,498	1,430,579	1,865,164	5,534,241	6,806,779
- North Hill	2,436,253	1,123,381	1,615,020	5,174,654	6,385,310
- Ogden	1,454,581	348,534	1,298,156	3,101,271	3,573,844
- Palliser	5,104,018	2,077,402	3,458,722	10,640,142	9,325,129
- Sarcee	2,499,940	1,001,367	1,811,652	5,312,959	5,010,697
- Silver Springs	1,192,239	671,238	748,568	2,612,045	2,874,755
- South Centre	5,332,803	2,614,889	2,986,301	10,933,993	10,557,731
- Sunridge	5,280,882	2,674,093	3,420,110	11,375,085	10,508,106
- Thorncliff (closed 02/85)	—	—	—	—	370,229
- Transcanada Mall	6,433,109	1,670,849	4,683,119	12,787,077	12,765,498
- West	455,601	232,737	214,546	902,884	1,098,434
- Westbrook	6,338,994	2,727,436	4,827,721	13,894,151	13,175,472
- Warehouse Retail	25,016,682	12,583,217	1,397,903	38,997,802	42,709,170
- Retail Beer	—	—	58,901,251	58,901,251	42,667,262
Calmar	497,195	66,560	270,425	834,180	803,779
Camrose	3,066,661	533,884	1,561,281	5,161,826	5,247,895

Schedule of Sales by Stores (unaudited)

For the Year Ended January 6, 1987 (unaudited)	Sales				Total Sales Year Ended Jan. 7/86
	Spirits	Wine	Beer	Total	
Canmore	1,094,279	435,004	689,240	**2,218,523**	2,154,361
Carbon	75,649	10,476	52,279	**138,404**	49,299
Caroline (opened 0/86)	53,877	4,955	22,634	**81,466**	–
Carstairs	455,687	61,527	245,746	**762,960**	804,875
Castor	431,481	49,084	178,223	**658,788**	703,500
Claresholm	960,646	134,743	396,374	**1,491,763**	1,494,067
Coaldale	557,326	138,606	383,164	**1,079,096**	1,038,875
Cochrane	1,136,539	374,538	749,098	**2,260,175**	2,062,927
Cold Lake	397,547	105,682	258,612	**761,841**	759,627
Coleman	244,926	35,787	137,811	**418,524**	441,148
Consort	440,607	39,947	251,192	**731,746**	721,741
Coronation	489,132	57,631	206,629	**753,392**	761,396
Crossfield (opened 08/86)	135,475	21,521	50,654	**207,650**	–
Daysland	406,081	38,226	186,996	**631,303**	626,191
Delburne	233,731	24,861	126,085	**384,677**	370,096
Derwent	129,911	8,480	44,268	**182,659**	202,503
Devon	788,133	224,435	498,117	**1,510,685**	1,556,875
Didsbury	554,781	99,915	335,904	**990,600**	987,012
Drayton Valley	2,366,680	390,344	1,170,722	**3,927,746**	3,939,052
Drumheller	2,214,063	394,487	1,186,308	**3,794,858**	3,914,496
Eckville	506,815	56,228	244,895	**807,938**	795,190
Edmonton - Athlone	2,007,672	408,468	1,344,570	**3,760,710**	4,401,286
- Beaver House	1,041,210	471,439	367,821	**1,880,470**	2,743,126
- Beverly	4,002,710	822,014	2,708,409	**7,533,133**	8,224,309
- Bonnie Doon	2,001,131	629,384	1,228,399	**3,858,914**	4,911,274
- Callingwood (opened 10/86)	638,210	302,771	302,765	**1,243,746**	–
- Capilano	7,860,440	2,359,884	3,680,042	**13,900,366**	13,831,020
- Castle Downs	1,673,886	581,127	1,201,147	**3,456,160**	3,992,275
- Centennial	1,904,076	476,348	1,217,903	**3,598,327**	5,193,426
- Clareview	1,370,424	416,680	1,119,308	**2,906,412**	3,502,762
- East	2,204,241	582,954	1,782,441	**4,569,636**	5,834,347
- Jasper Place	2,260,565	793,962	1,320,065	**4,374,592**	5,313,258
- Londonderry	3,521,512	897,817	2,157,607	**6,576,935**	6,503,161
- McCauley Plaza	1,019,769	327,661	242,438	**1,589,868**	2,046,289
- Meadowlark	2,328,363	889,044	1,257,032	**4,474,439**	5,388,999
- Millbourne	3,068,713	1,022,223	1,966,079	**6,057,015**	7,032,313
- 96th Street	1,891,394	623,524	1,087,765	**3,602,683**	4,198,479
- Northgate	8,580,877	2,298,600	5,621,539	**16,501,016**	15,194,407
- 106th Street	5,043,841	3,167,477	2,460,668	**10,671,986**	9,633,338
- 123rd Street	1,936,808	828,969	848,598	**3,614,375**	4,685,890
- Southgate	8,875,616	4,092,487	4,534,460	**17,502,563**	17,066,248
- Southpark	2,389,153	944,354	1,247,016	**4,580,523**	5,225,310
- Strathcona	3,223,911	1,499,194	2,147,437	**6,870,541**	7,102,499
- Summerlea	5,453,397	2,093,026	3,715,933	**11,262,356**	11,420,092
- Westmount	7,186,302	2,508,918	4,009,103	**13,704,323**	11,668,823
- Warehouse Retail	21,574,875	10,495,779	2,375,217	**34,445,871**	38,766,453
- Retail Beer	–	–	90,940,036	**90,940,036**	70,753,859
Edgerton	189,486	20,078	157,844	**367,408**	398,340
Edson	2,250,434	423,134	1,199,864	**3,879,432**	3,977,409
Elk Point	633,383	79,484	281,980	**994,847**	1,099,052
Empress	147,757	12,075	81,998	**241,830**	241,032
Evansburg	598,126	86,020	304,389	**988,535**	1,130,144
Fairview	937,193	143,327	433,192	**1,513,712**	1,584,368
Falher	608,463	103,905	456,253	**1,168,621**	1,236,105
Foremost	221,980	30,355	120,547	**372,882**	360,035

Schedule of Sales by Stores (unaudited)

For the Year Ended January 6, 1987 (unaudited)	Sales				Total Sales Year Ended Jan. 7/86
	Spirits	Wine	Beer	Total	
Forestburg	386,282	40,573	146,327	**573,182**	645,142
Fort MacLeod	954,437	404,064	637,359	**1,995,859**	1,909,379
Fort McMurray - Main	5,091,915	1,518,561	3,529,008	**10,139,484**	11,488,248
- Thickwood	1,092,589	437,876	997,695	**2,528,160**	3,256,549
Fort Saskatchewan	1,995,794	524,145	1,136,470	**3,656,409**	3,736,842
Fort Vermilion	475,032	39,062	182,872	**696,966**	186,590
Fox Creek	489,445	77,183	303,804	**870,432**	876,365
Gibbons	639,639	128,703	412,339	**1,180,681**	1,111,696
Glendon	327,896	35,615	163,409	**526,920**	564,737
Grand Centre	1,930,532	690,622	1,274,718	**3,895,872**	4,149,222
Grande Cache	562,579	142,880	400,309	**1,105,768**	1,144,170
Grande Prairie - Main	6,043,123	1,471,624	3,205,020	**10,719,767**	11,099,867
Grimshaw	803,844	99,443	365,449	**1,268,736**	1,310,268
Hanna	1,139,620	143,695	448,456	**1,731,771**	1,794,237
Hardisty	379,391	39,811	197,046	**616,248**	654,244
High Level	1,650,974	199,803	685,974	**2,536,751**	3,367,015
High Prairie	1,286,428	226,853	869,871	**2,383,152**	2,427,997
High River	1,199,895	251,065	602,922	**2,053,882**	2,143,066
Hines Creek	300,290	28,093	138,722	**467,105**	482,501
Hinton	1,666,059	473,178	1,096,933	**3,236,170**	3,334,944
Holden	256,879	23,258	118,710	**398,847**	370,460
Hythe	256,151	40,077	131,126	**427,353**	487,765
Innisfail	1,529,704	266,180	747,785	**2,543,669**	2,513,866
Jasper	1,701,131	1,119,928	885,276	**3,706,335**	3,992,362
Killam	546,129	68,964	229,962	**845,055**	856,115
Lac La Biche	1,221,198	251,677	654,200	**2,127,075**	2,016,877
Lacombe	1,326,999	267,724	660,424	**2,255,147**	2,208,353
Lake Louise (opened 12/86)	35,470	12,180	23,310	**70,960**	–
Lamont	533,570	70,941	206,836	**811,347**	831,431
Leduc	3,481,167	808,153	1,458,403	**5,747,722**	5,817,959
Legal	234,345	38,121	147,021	**419,487**	430,053
Lethbridge - McGrath	1,563,294	400,004	757,467	**2,720,765**	3,281,245
- North	3,410,052	955,625	872,746	**5,238,423**	6,380,809
- South	5,133,145	1,578,509	2,649,174	**9,360,827**	9,445,243
- Retail Beer	–	–	10,518,190	**10,518,190**	7,738,344
Lloydminster	4,349,434	748,466	2,693,005	**7,790,905**	8,028,789
Manning	557,986	65,129	299,011	**922,126**	961,423
Mannville	331,999	34,641	151,060	**517,700**	582,176
Marwayne	328,325	63,097	182,175	**573,597**	601,864
Mayerthorpe	692,834	102,191	321,969	**1,116,994**	1,158,915
McLennan	196,250	39,903	155,727	**391,880**	428,592
Medicine Hat - Main	6,511,524	1,349,452	2,579,255	**10,440,231**	10,861,549
- Southview	2,415,509	453,114	1,138,959	**4,007,582**	4,713,816
- Retail Beer	–	–	5,154,324	**5,154,324**	4,004,431
Milk River	312,294	52,940	201,523	**566,757**	609,054
Millet	250,777	47,489	171,559	**469,825**	164,913
Morinville	823,303	156,062	516,991	**1,496,356**	1,482,830
Mundare	338,163	23,188	113,317	**474,668**	471,549
Myrnam	214,856	13,626	70,680	**299,162**	294,540
Nanton	553,396	68,650	250,367	**872,413**	878,062
Okotoks	1,196,931	342,523	786,824	**2,326,277**	1,988,340
Olds	1,620,948	317,131	702,347	**2,640,426**	2,598,185
Onoway	686,189	140,643	443,760	**1,270,592**	1,352,833
Oyen	654,786	69,409	292,708	**1,016,963**	1,081,174
Peace River	2,011,460	400,146	1,028,422	**3,440,028**	3,513,955

Schedule of Sales by Stores (unaudited)

For the Year Ended January 6, 1987 (unaudited)	Sales				Total Sales Year Ended Jan. 7/86
	Spirits	Wine	Beer	Total	
Picture Butte	447,857	91,908	261,801	**801,566**	834,409
Pincher Creek	1,253,733	319,344	696,192	**2,269,269**	2,220,137
Ponoka	1,638,125	419,984	751,967	**2,810,076**	2,894,027
Provost	1,125,599	111,530	510,118	**1,747,247**	1,853,358
Rainbow Lake	384,944	25,091	116,398	**526,433**	229,862
Redcliff	561,734	88,888	363,499	**1,014,121**	1,033,154
Red Deer - Centre	1,479,025	373,594	740,900	**2,593,519**	831,412
- North	2,122,367	509,072	1,143,233	**3,774,672**	4,971,935
- South	8,631,812	2,220,903	2,785,943	**13,638,658**	14,647,059
- Retail Beer	—	—	13,405,321	**13,405,321**	11,049,291
Redwater	639,145	84,426	307,097	**1,030,668**	1,036,744
Rimbey	789,459	115,256	426,044	**1,330,759**	1,321,719
Rocky Mountain House	2,279,060	406,287	1,184,240	**3,869,587**	4,021,623
St. Albert - Grandin	1,427,921	535,775	802,113	**2,765,809**	3,490,508
- North	4,109,000	1,670,001	2,452,337	**8,231,338**	6,900,506
St. Paul	1,831,758	311,859	778,220	**2,921,837**	3,004,923
Sexsmith	374,852	45,509	171,412	**591,773**	621,669
Sherwood Park - Main	5,913,775	1,845,830	3,132,735	**10,892,340**	10,089,917
Slave Lake	2,060,808	300,790	1,133,789	**3,495,387**	3,577,205
Smoky Lake	730,845	72,188	271,963	**1,074,996**	1,122,430
Spirit River	822,941	103,252	335,550	**1,261,743**	1,357,882
Spruce Grove	2,860,418	762,677	1,620,346	**5,243,441**	5,023,488
Standard	113,619	18,593	88,007	**220,219**	172,800
Stettler	1,914,459	238,351	699,078	**2,851,888**	2,861,630
Stony Plain	1,576,062	326,062	835,252	**2,737,376**	2,884,966
Strathmore	1,230,286	254,696	709,056	**2,194,038**	2,121,403
Suffield	33,418	18,414	68,860	**120,692**	44,959
Sundre	868,719	114,994	451,563	**1,435,276**	1,381,040
Swan Hills	547,676	72,171	298,982	**918,829**	1,065,372
Sylvan Lake	1,062,200	198,572	692,312	**1,953,084**	1,875,116
Taber	1,304,942	200,980	761,439	**2,267,361**	2,315,223
Thorhild	443,514	46,264	188,059	**677,837**	712,744
Thorsby	546,346	62,365	205,416	**814,127**	829,563
Three Hills	306,660	52,706	156,833	**516,199**	589,194
Tofield	446,728	76,047	274,727	**797,502**	786,698
Trochu	427,237	51,528	212,233	**690,998**	688,708
Turner Valley	796,088	131,659	392,891	**1,320,638**	1,256,191
Two Hills	645,059	56,895	197,148	**899,102**	949,201
Valleyview	882,867	214,163	435,267	**1,532,297**	1,593,060
Vauxhall	374,637	39,254	231,858	**645,749**	648,198
Vegreville	1,915,556	220,674	714,892	**2,851,122**	2,792,712
Vermilion	1,353,345	209,848	565,235	**2,128,428**	2,161,606
Viking	435,664	51,620	176,779	**664,063**	695,117
Vilna	422,964	64,779	175,213	**662,956**	676,221
Vulcan	744,322	100,399	289,875	**1,134,595**	1,170,349
Wabamun (opened 04/86)	209,875	59,364	190,376	**459,615**	—
Wainwright	1,450,528	246,751	724,603	**2,421,882**	2,892,617
Warburg	202,777	23,169	102,294	**328,240**	343,367
Waterton Park	144,467	74,246	116,198	**334,911**	337,163
Wembley	189,571	32,793	123,360	**345,724**	340,753
Westlock	1,853,086	305,758	778,112	**2,936,956**	2,971,591
Wetaskiwin	2,933,305	738,000	1,672,253	**5,343,558**	5,267,750
Whitecourt	1,592,209	279,365	815,581	**2,687,155**	2,647,862
Wildwood	236,413	31,377	123,313	**391,103**	395,253
Willingdon	260,226	19,762	89,439	**369,427**	386,408
*	$397,348,064	$129,049,786	$382,500,546	**$908,898,396**	$893,843,909

*Individual columns may not add due to rounding.

Manufacturers' Licences Issued

January 1, 1986 - December 31, 1986

Distillers' Licences Issued

Licence No.	Name	Location
1	Alberta Distillers, Limited	Calgary
2	Palliser Distillers Ltd.	Lethbridge
3	Sunnyvale Distillers Ltd.	High River
4	Cambridge Distillers Ltd.	Calgary

Brewers' Licences Issued

Licence No.	Name	Location
1	Molson Alberta Brewery Ltd.	Edmonton
2	Sicks' Lethbridge Brewery Limited	Lethbridge
3	Carling O'Keefe Breweries Western Limited	Calgary
4	Labatt Brewing Company Limited	Edmonton
5	Drummond Brewing Company Ltd.	Red Deer
	NOTE: Change in name from Rocky Mountain Brewing Corporation effective May 16, 1986	
6	Big Rock Brewery Ltd.	Calgary
7	Strathcona Brewing Company Ltd.	Edmonton
	NOTE: Initial licence issued effective June 12, 1986	

Wine Manufacturers' Licences Issued

Licence No.	Name	Location
1	Andres Wines (Alberta) Ltd.	Calgary
2	Chateau-Gai Wines Limited	Calgary
3	Andrew Wolf Cellars Ltd.	Stony Plain
4	Anlu Development Corporation Ltd.	
	Lewis Brothers Winery	Grande Prairie
	NOTE: Initial licence issued effective November 21, 1986	

Sacramental Wine Permits Issued

Permit No.	Name of Permittee	Location
1	Universal Church Supplies Ltd.	Edmonton
2	Diocese of St. Paul	St. Paul
3	Universal Church Supplies Ltd.	Calgary

Licences and Permits Issued under the Authority of the Liquor Control Act

	In Effect Dec.31,1986	In Effect Dec.31,1985
Beverage Room	603	602
Beer Vendor's	504	505
Dining Lounge	1,793	1,668
Dining Lounge (Restricted)	726	722
Lounge	958	921
Night Club	11	18
Club		
Annual	215	204
Seasonal	206	186
Canteen	45	45
Recreational Facility	134	118
Institution		
Post-Secondary	18	17
Residential Facility	47	24
Theatre	21	16
Traveller's Lounge	5	5
Race Track	7	6
Sports Stadium	14	13
Commercial Passenger Airplane	9	10
Passenger Train	1	1
Commercial Passenger Bus	—	—
Water Excursion Craft	1	1
Brew Pub	1	1
	5,319	5,083
Breweries	7	6
Distilleries	4	4
Wine Manufacturers	4	3
Sacramental Wine Permits	3	3
	5,337	5,099

	Issued 1986	Issued 1985
Special Events Licences	164	149
Permits		
Annual	197	187
Resale	22,041	23,120
Ordinary	24,296	25,237
Display	4	—
Physicians, Druggists, Dentists, etc.	49	51
Industrial	44	47
Hospital	57	64
	46,852	48,855

Suspension of Licence Privileges

Convention Inn South - Edmonton: Triple Five Corporation Ltd. (Ralph Klimove, Manager). Liquor licences in respect of a Beverage Room and Beer Vendor's suspended from June 23 to June 28, 1986, inclusive.

A. Patron intoxication and overcrowding in the Beverage Room.
B. Minors in the Beverage Room.
C. Patron Fighting.
D. Removal of liquor from the Beverage Room.
E. Liquor Consumption by Beverage Room staff.
F. Availability of liquor after hours.
G. Sale and use of illicit drugs.
H. Inattention to fire safety regulations.

Following Hearing

Marwayne Hotel - Marwayne: Maralta Hotel Co. Ltd. (Roy Arthur Hay, Manager). Liquor licences in respect of a Beverage Room and Beer Vendor's suspended from October 15 to October 17, 1986, inclusive.

A. Manager intoxicated while on duty.
B. Patron intoxication.

Following Hearing

Club-Soda - Edmonton: Frato Investments Ltd. (Antonio (Tony) Manna, Manager). Liquor licences in respect of a Dining Lounge and Lounge suspended for an indefinite period of time effective February 18, 1986. Liquor licences reinstated effective February 27, 1986.

A. Patron overcrowding in the Dining Lounge and Lounge.
B. Liquor service and consumption after hours in the Dining Lounge and Lounge.
C. Inadequate food service in the Dining Lounge.

Without A Hearing

Club-Soda - Edmonton: Frato Investments Ltd. (Antonio (Tony) Manna, Manager). Liquor licences in respect of a Dining Lounge and Lounge suspended from March 13 to March 15, 1986, inclusive.

A. Liquor service in the Dining Lounge and Lounge after the authorized hours.
B. Patron overcrowding in the Dining Lounge and Lounge.
C. Inadequate meal service in the Dining Lounge.

Following Hearing

Smitty's Family Restaurant & Lounge - St. Paul: Tripac Restaurants Ltd. (Marcus John Chandler Phillips, Manager). Liquor licence in respect of a Lounge suspended March 31, 1986 for a period of one day.

A. Unauthorized Sunday use of the Lounge.

Following Hearing

Dragon Terrace Restaurant - Calgary: Dragon Terrace Restaurant Ltd. (William Chow, Manager). Liquor licence in respect of a Lounge suspended from March 26 to March 29, 1986, inclusive. (Note: March 28, 1986 excluded as the Lounge must remain closed on Good Friday).

A. Liquor Service after hours.
B. Presence of patron in the Lounge after hours.

Following Hearing

Patty's Family Restaurant - Red Deer: Patty's Family Restaurant Ltd. (Kildy Li, Manager). Liquor licence in respect of a Lounge suspended from April 21 to April 23, 1986, inclusive.

A. Patron overcrowding in the Lounge.

Following Hearing

Andante Dining Lounge - Edmonton: 309598 Alberta Ltd. (Fiona Anne Bassie, Manager). Liquor licence in respect of a Dining Lounge suspended from May 12 to May 14, 1986, inclusive.

A. Consumption of liquor after hours.

Following Hearing

Our Place The Canadian Bar - Edmonton: 335057 Alberta Ltd. (Denis F. Prasad, President). Liquor licence in respect of a Dining Lounge suspended from October 3 to October 5, 1986, inclusive.

A. Liquor consumption after hours in the Dining Lounge.
B. Barring entry to Liquor Inspectors.

Following Hearing

Roger's Pizza & Steak House - Ponoka: Roger's Pizza & Steak House Ltd. (Calvin John Smart, Manager). Liquor licence in respect of a Lounge suspended from November 3 to November 5, 1986, inclusive.

A. Permitting persons apparently under the influence of alcohol or a drug to consume liquor on the licensed premises.

Following Hearing

Lamees Restaurant - Calgary: Lamees Restaurant Ltd. (Ahmed Haymour, Manager). Liquor licence in respect of a Lounge suspended from December 8 to December 13, 1986, inclusive.

A. Patron overcrowding.
B. Intoxicated patrons.
C. Licensee convicted for opening the Lounge on Good Friday.

Following Hearing

Jasper Avenue Social Club - Edmonton: Liquor licence in respect of a club suspended from June 2 to June 4, 1986, inclusive.

A. Service of liquor after hours.
B. Patron overcrowding.

Following Hearing

Staff Complement

as at December 31, 1986	Permanent		Temporary		Total	
	1986	1985	**1986**	1985	**1986**	1985
Administrative Offices:						
Chairman & Board Members	**3**	3			**3**	3
Executive Assistant	**1**	1			**1**	1
Chief Operating Officer	**1**	1			**1**	1
General Manager	**2**	1			**2**	1
Administrative Officer	**1**	2			**1**	1
Legal Counsel	**1**	1	**1**	1	**2**	2
Secretaries & Clerical	**5**	5			**5**	5
Departments:						
Financial Services	**54**	54			**54**	54
Internal Audit	**17**				**17**	15
Stores & Warehousing:						
Stores (Office)	**19**	24			**19**	24
Stores	**726**	741			**726**	741
Warehouses	**132**	135			**132**	135
Property Services	**63**	62			**63**	62
Information Systems	**74**	78			**74**	78
Administrative Support Services	**29**	31	**1**	**30**	31	
Personnel Services	**22**	22			**22**	22
Stocks	**49**	47	**1**	3	**50**	50
Licensing & Permits	**69**	69		2	**69**	71
Long Term Disability	**28**	30	—	—	**28**	30
Totals	**1,296**	1,319	**3**	6	**1,299**	1,325

	1986	1985
Hours worked by casual staff	**845,475**	861,449